

**AUGUSTA UNIFIED SCHOOL DISTRICT NO. 402
AUGUSTA, KANSAS**

**FINANCIAL STATEMENT
JUNE 30, 2014**

BFR

BUSBY FORD & REIMER, LLC

CERTIFIED PUBLIC ACCOUNTANTS

AUGUSTA UNIFIED SCHOOL DISTRICT NO. 402
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JUNE 30, 2014

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CERTIFIED PUBLIC ACCOUNTANTS

INDEPENDENT AUDITORS' REPORT

**Board of Education
Augusta Unified School District No. 402
Augusta, Kansas**

We have audited the accompanying fund summary statement of regulatory basis receipts, expenditures, and unencumbered cash balances of **Augusta Unified School District No. 402, Augusta, Kansas**, as of and for the year ended **June 30, 2014** and the related notes to the financial statement.

Management's Responsibility for the Financial Statement

Management is responsible for the preparation and fair presentation of this financial statement in accordance with the *Kansas Municipal Audit and Accounting Guide* as described in Note 1 to meet the financial reporting requirements of the State of Kansas. Management is also responsible for the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of the financial statement that is free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on the financial statement based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States and the *Kansas Municipal Audit and Accounting Guide*. Those standards require we plan and perform the audit to obtain reasonable assurance about whether the financial statement is free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statement. The procedures selected depend on auditors' judgment, including the assessment of the risks of material misstatement of the financial statement, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the entity's preparation and fair presentation of the financial statement in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statement.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Board of Education
Augusta Unified School District No. 402

Basis for Adverse Opinion on Accounting Principles Generally Accepted in the United States of America

As described in Note 1 of the financial statement, the financial statement is prepared by **Augusta Unified School District No. 402, Augusta, Kansas**, to meet the requirements of the State of Kansas on the basis of the financial reporting provisions of the *Kansas Municipal Audit and Accounting Guide*, which is a basis of accounting other than accounting principles generally accepted in the United States of America.

The effects on the financial statement of the variances between the regulatory basis of accounting described in Note 1 and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material.

Adverse Opinion on Accounting Principles Generally Accepted in the United States of America

In our opinion, because of the significance of the matter discussed in the "Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles" paragraph, the financial statement referred to above does not present fairly, in conformity with accounting principles generally accepted in the United States of America, the financial position of **Augusta Unified School District No. 402, Augusta, Kansas**, as of **June 30, 2014**, or changes in financial position and cash flows thereof for the year then ended.

Opinion on Regulatory Basis of Accounting

In our opinion, the financial statement referred to above presents fairly, in all material respects, the aggregate cash and unencumbered cash balance of **Augusta Unified School District No. 402, Augusta, Kansas**, as of **June 30, 2014**, and the aggregate receipts and expenditures for the year then ended in accordance with the financial reporting provisions of the *Kansas Municipal Audit and Accounting Guide* described in Note 1.

Report on Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the fund summary statement of regulatory basis receipts, expenditures, and unencumbered cash balances (basic financial statement) as a whole. The summary of regulatory basis expenditures-actual and budget, individual fund schedules of regulatory basis receipts and expenditures-actual and budget, individual fund schedules of regulatory basis receipts and expenditures-actual, schedule of regulatory basis cash receipts and expenditures-capital projects, agency funds schedules of regulatory basis cash receipts and disbursements and district activity funds schedules of regulatory basis cash receipts, expenditures and unencumbered cash (Regulatory-Required Supplementary Information as listed in the table of contents) are presented for analysis and are not a required part of the basic financial statement, however are required to be presented under the provisions of the *Kansas Municipal Audit and Accounting Guide*. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments and Non-Profit Organizations*, and is also not a required part of the basic financial statement. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statement.

**Board of Education
Augusta Unified School District No. 402**

The information has been subjected to the auditing procedures applied in the audit of the basic financial statement and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statement or to the basic financial statement itself, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statement as a whole, on the basis of accounting described in Note 1.

The 2013 Actual column presented in the individual fund schedules of regulatory basis receipts and expenditures-actual and budget, individual fund schedules of regulatory basis receipts and expenditures-actual and schedule of cash receipts and expenditures-capital projects (as listed in the table of contents) is also presented for comparative analysis and is not a required part of the 2013 basic financial statement upon which we rendered an unmodified opinion dated December 18, 2013. The 2013 basic financial statement and our accompanying report are not presented herein, but are available in electronic form from the web site of the Kansas Department of Administration at the following link <http://da.ks.gov/ar/muniserv/>. Such 2013 comparative information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the 2013 basic financial statement. The 2013 comparative information was subjected to the auditing procedures applied in the audit of the 2013 basic financial statement and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the 2013 basic financial statement or to the 2013 basic financial statement itself, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the 2013 comparative information is fairly stated in all material respects in relation to the 2013 basic financial statement as a whole, on the basis of accounting described in Note 1.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 9, 2014, on our consideration of **Augusta Unified School District No. 402, Augusta, Kansas**, internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering **Augusta Unified School District No. 402, Augusta, Kansas** internal control over financial reporting and compliance.

Busby Ford & Reimer, LLC

Busby Ford & Reimer, LLC
December 9, 2014

AUGUSTA UNIFIED SCHOOL DISTRICT NO. 402
SUMMARY OF CASH RECEIPTS, EXPENDITURES,
AND UNENCUMBERED CASH
REGULATORY BASIS
FOR THE YEAR ENDED JUNE 30, 2014

| Fund | Beginning Unencumbered | | Prior Year Canceled | | Cash Receipts | Expenditures | Ending Unencumbered Cash Balance | Add | | | | |
|-----------------------------|------------------------|-----------|---------------------|---------|---------------|--------------|----------------------------------|-----------------------------------|---------|-----------|-----------|-----------|
| | Cash Balance | | Encumbrances | | | | | Encumbrances and Accounts Payable | Balance | | | |
| General Fund | \$ | 151 | \$ | 2,906 | \$ | 12,882,163 | \$ | 2,907 | \$ | 213,164 | \$ | 216,071 |
| Special Purpose Funds | | | | | | | | | | | | |
| Supplemental General | | 46,577 | | 0 | 4,365,250 | 4,287,454 | 124,373 | 54,866 | | | 179,239 | |
| At Risk (4 Year Old) | | 0 | | 0 | 64,260 | 64,260 | 0 | 0 | | | 0 | |
| At Risk (K-12) | | 0 | | 294 | 1,427,736 | 1,427,736 | 294 | 9,314 | | | 9,608 | |
| Bilingual Education | | 0 | | 0 | 20,339 | 20,339 | 0 | 0 | | | 0 | |
| Capital Outlay | | 2,194,012 | | 3,307 | 692,413 | 477,169 | 2,412,563 | 70,964 | | | 2,483,527 | |
| Driver Training | | 50,435 | | 0 | 32,894 | 25,019 | 58,310 | 415 | | | 58,725 | |
| Food Service | | 64,838 | | 0 | 881,835 | 854,896 | 91,777 | 0 | | | 91,777 | |
| Professional Development | | 1,392 | | 1,380 | 91,022 | 23,627 | 70,167 | 1,463 | | | 71,630 | |
| Special Education | | 635,956 | | 0 | 2,350,970 | 2,351,926 | 635,000 | 0 | | | 635,000 | |
| Vocational Education | | 86,114 | | 122 | 572,730 | 504,826 | 154,140 | 17,042 | | | 171,182 | |
| KPERS Contribution | | 0 | | 0 | 1,101,788 | 1,101,788 | 0 | 0 | | | 0 | |
| Federal Funds | | 0 | | 0 | 362,194 | 362,194 | 0 | 14,557 | | | 14,557 | |
| Gifts and Grants | | 16,574 | | 0 | 34,897 | 26,826 | 24,645 | 3,607 | | | 28,252 | |
| Contingency Reserve | | 553,280 | | 0 | 0 | 235,631 | 317,649 | 0 | | | 317,649 | |
| Textbook & Student Material | | | | | | | | | | | | |
| Revolving | | 481,569 | | 14,625 | 258,622 | 485,650 | 269,166 | 394,795 | | | 663,961 | |
| District Activity Funds | | 21,602 | | 0 | 101,667 | 97,290 | 25,979 | 0 | | | 25,979 | |
| Debt Service Funds | | | | | | | | | | | | |
| Bond and Interest | | 1,665,507 | | 0 | 3,172,363 | 2,976,460 | 1,861,410 | 0 | | | 1,861,410 | |
| Special Assessment | | 1,165 | | 0 | 101 | 1,165 | 101 | 0 | | | 101 | |
| Capital Projects | | 232,228 | | 305,542 | 0 | 478,936 | 58,834 | 288,388 | | | 347,222 | |
| | \$ | 6,051,400 | \$ | 328,176 | \$ | 28,413,094 | \$ | 6,107,315 | \$ | 1,068,575 | \$ | 7,175,890 |
| Composition of Cash: | | | | | | | | | | | | |
| Checking Accounts | | | | | | | | | | | | |
| Savings Accounts | | | | | | | | | | | | |
| Investments | | | | | | | | | | | | |
| Agency Funds | | | | | | | | | | | | |
| 7,341,164 | | | | | | | | | | | | |
| (165,274) | | | | | | | | | | | | |
| \$ 7,175,890 | | | | | | | | | | | | |

The notes to the financial statement are an integral part of this statement.

AUGUSTA UNIFIED SCHOOL DISTRICT NO. 402
NOTES TO FINANCIAL STATEMENT
JUNE 30, 2014

Note 1 - Summary of Significant Accounting Policies:

Financial Reporting Entity

Augusta Unified School District No. 402 is a municipal corporation established under State of Kansas statutes designed to meet educational requirements at the primary and secondary levels in and around Augusta, Kansas. The District is governed by an elected seven-member Board of Education. The District's financial statement includes all funds over which the Board of Education exercises financial responsibility. Financial responsibility includes appointment of governing body members, designation of management, the ability to significantly influence operations and accountability for fiscal matters.

KMAAG Regulatory Basis of Presentation Fund Definitions:

General Fund-The primary operating fund. Used to account for all unrestricted resources except those required to be accounted for in another fund.

Special Purpose Funds-To account for the proceeds of specific receipts (other than major capital projects) that are restricted by law or administrative action to expenditure for specific purposes.

Capital Projects Fund-To account for the financial resources segregated for the acquisition or construction of major capital facilities and improvements.

Debt Service Fund-To account for the accumulation of resources for and the payment of, interest and principal on general long-term debt.

Agency Funds-To account for resources held in a trustee or agency capacity for others which therefore cannot be used to support the government's own programs.

Regulatory Basis of Accounting and Departure from Accounting Principles Generally accepted in the United States of America

The KMAAG regulatory basis of accounting involves the recognition of cash, cash equivalents, marketable investments, and certain accounts payable and encumbrance obligations to arrive at a net unencumbered cash and investments balance on a regulatory basis for each fund, and the reporting of changes in unencumbered cash and investments of a fund resulting from the difference in regulatory basis receipts and regulatory basis expenditures for the fiscal year. All recognized assets and liabilities are measured and reported at cost, unless they have been permanently impaired and have no future cash value or represent no future obligation against cash. The KMAAG regulatory basis does not recognize capital assets, long-term debt, accrued receivables and payables, or any other assets, liabilities or deferred inflows or outflows, other than those mentioned above.

The District has approved a resolution that is in compliance with K.S.A. 75-1120a(c), waiving the requirement for application of accounting principles generally accepted in the United States of America and allowing the municipality to use the regulatory basis of accounting.

AUGUSTA UNIFIED SCHOOL DISTRICT NO. 402
NOTES TO FINANCIAL STATEMENT
JUNE 30, 2014

Budget and Tax Cycle

Kansas statutes require that an annual operating budget be legally adopted for the general fund, special purpose funds (unless specifically exempted by statute), and debt service funds. The statutes provide for the following sequence and timetable in the adoption of the legal annual operating budget:

1. Preparation of the budget for the succeeding calendar year on or before August 1st.
2. Publication in local newspaper of the proposed budget and notice of public hearing on the budget on or before August 5th.
3. Public hearing on or before August 15th, but at least ten days after publication of notice of hearing.
4. Adoption of the final budget on or before August 25th.

The statutes allow for the governing body to increase the originally adopted budget for previously unbudgeted increases in revenue other than ad valorem property taxes. To do this, a notice of public hearing to amend the budget must be published in the local newspaper. At least ten days after publication the hearing may be held and the governing body may amend the budget at that time. There was one amendment for the year ended June 30, 2014.

The statutes permit transferring budgeted amounts between line items within an individual fund. However, such statutes prohibit expenditures in excess of the total amount of the adopted budget of expenditures of individual funds. Budget comparison schedules are presented for each fund showing actual receipts and expenditures compared to legally budgeted receipts and expenditures.

All legal annual operating budgets are prepared using the modified accrual basis of accounting, modified further by the encumbrance method of accounting. Revenues are recognized when cash is received. Expenditures include disbursements, accounts payable, and encumbrances. Encumbrances are commitments by the District for future payments and are supported by a document evidencing the commitment, such as a purchase order or contract. All unencumbered appropriations (legal budget expenditure authority) lapse at year-end.

A legal operating budget is not required for capital projects funds, trust funds, and the following special purpose funds:

Federal Funds
Contingency Reserve Fund
District Activity Funds

Gifts and Grants Fund
Textbook & Student Material Revolving Fund

Spending in funds which are not subject to the legal annual operating budget requirement is controlled by federal regulations, other statutes, or by the use of internal spending limits established by the governing body.

Note 2 - Reimbursed Expenses:

The District records reimbursable expenditures in the fund that makes the disbursement and records reimbursements as revenue to the fund. For purposes of budgetary comparisons, the expenditures are properly offset by the reimbursements.

AUGUSTA UNIFIED SCHOOL DISTRICT NO. 402
NOTES TO FINANCIAL STATEMENT
JUNE 30, 2014

Note 3 - On-Behalf Payments for Fringe Benefits and Salaries:

The District recognizes as revenues and expenses contributions made by the State of Kansas to the Kansas Public Employees Retirement System (KPERS) on behalf of the District's employees. For the year ended June 30, 2014, the State made contributions of \$1,101,788. These contributions are recorded in the KPERS Contribution Fund as receipts and expenditures.

Note 4 - Interfund Transactions:

Operating transfers in accordance with K.S.A. 72-7063 were as follows:

| | Transfer to: | | | | | | | | Total |
|----------------|-------------------------|---------------------|------------------------|-------------------|-----------------------------|----------------------|-------------------------|--|---------------------|
| | At Risk (4 Year Old) | At Risk (K-12) | Bilingual Education | Capital Outlay | Professional Development | Special Education | Vocational Education | Textbook & Student Material Revolving | |
| Transfer from: | | | | | | | | | |
| General Fund | \$ 64,260 | \$ 1,427,736 | \$ 20,339 | \$ 313,149 | \$ 91,022 | \$ 2,210,536 | \$ 555,453 | \$ 0 | \$ 4,682,495 |
| Supplemental | | | | | | | | | |
| General Fund | 0 | 0 | 0 | 0 | 0 | 140,434 | 0 | 80,000 | 220,434 |
| | <u>\$ 64,260</u> | <u>\$ 1,427,736</u> | <u>\$ 20,339</u> | <u>\$ 313,149</u> | <u>\$ 91,022</u> | <u>\$ 2,350,970</u> | <u>\$ 555,453</u> | <u>\$ 80,000</u> | <u>\$ 4,902,929</u> |

Note 5 - Contingencies:

Grant Programs

The District participates in various federal and state grant programs. These grant programs are often subject to additional audits by agents of the granting agency, the purpose of which is to ensure compliance with the specific conditions of the grant. Any liability for reimbursement which may arise as a result of these audits cannot be reasonably determined at this time, although it is believed the amount, if any, would not be material.

Risk Management

The District is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The District carries commercial insurance for all risks of loss. Settled claims resulting from these risks have not materially exceeded commercial insurance coverage in any of the past three years.

Note 6 - Subsequent Events:

Subsequent to June 30, 2014, the District issued \$4,050,000 of General Obligation Bonds with interest rates ranging from 2.00-3.00%. The purpose of the bond issue is to refund \$3,845,000 of the Series 2008 A General Obligation Bonds. Interest payments on the issue are due semi-annually beginning March 1, 2015. Principal payments are due annually beginning September 1, 2019, with a final maturity on September 1, 2025.

The District has evaluated subsequent events through December 9, 2014, the date which the financial statement was available to be issued.

AUGUSTA UNIFIED SCHOOL DISTRICT NO. 402
NOTES TO FINANCIAL STATEMENT
JUNE 30, 2014

Note 7 - Deposits and Investments:

As of June 30, 2014, the District had the following investments with maturities of one year or less:

| Investment Type | Fair Value | Rating |
|--------------------------------------|-------------------|--------------|
| Kansas Municipal Investment Pool | \$ 150,642 | S&P AAAF/SLT |
| Memorial & Scholarships-Mutual Funds | 24,632 | N/A |
| | <u>\$ 175,274</u> | |

K.S.A. 9-1401 establishes the depositories which may be used by the Government. The statute requires banks eligible to hold the District's funds have a main or branch bank in the county in which the District is located and the banks provide an acceptable rate of return on funds. In addition, K.S.A. 9-1402 requires the banks to pledge securities for deposits in excess of FDIC coverage. The District has no other policies that would further limit interest rate risk.

K.S.A. 12-1675 limits the District's investment of idle funds to time deposits, open accounts and certificates of deposit with allowable financial institutions; U.S. government securities; temporary notes; no-fund warrants; repurchase agreements; and the Kansas Municipal Investment Pool. The District has no investment policy that would further limit its investment choices.

Concentration of credit risk. State statutes place no limit on the amount the District may invest in any one issuer as long as the investments are adequately secured under K.S.A. 9-1402 and 9-1405.

Custodial credit risk. State statutes place no limit on the amount the District may invest in any one issuer as long as the investments are adequately secured under K.S.A. 9-1402 and 9-1405. The District's allocation of investments as of June 30, 2014, is as follows:

| Investment Type | Percentage of Investments |
|--------------------------------------|---------------------------|
| Kansas Municipal Investment Pool | 86% |
| Memorial & Scholarships-Mutual Funds | 14% |

Custodial credit risk – deposits. Custodial credit risk is the risk that in the event of a bank failure, the District's deposits may be returned to it. State statutes require the District's deposits in financial institutions to be entirely covered by federal depository insurance or by collateral held under a joint custody receipt issued by a bank within the State of Kansas, the Federal Reserve Bank of Kansas City, or the Federal Home Loan Bank of Topeka, except during designated "peak periods" when required coverage is 50%. All deposits were legally secured at June 30, 2014.

At June 30, 2014, the District's carrying amount of deposits was \$7,165,890 and the bank balance was \$7,668,233. The bank balance is held by two banks. Of the bank balance, \$522,509 was covered by depository insurance, and the remaining \$7,145,724 was collateralized with securities held by the pledging financial institution's agent in the District's name.

Custodial credit risk – investments. For an investment, this is the risk that, in the event of the failure of the issuer or counterparty, the District will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. State statutes require investments to be adequately secured.

AUGUSTA UNIFIED SCHOOL DISTRICT NO. 402
NOTES TO FINANCIAL STATEMENT
JUNE 30, 2014

Note 8 - Postemployment Benefits:

As provided by K.S.A. 12-5040, the District allows retirees to participate in the group health insurance plan. While each retiree pays the full amount of the applicable premium, conceptually, the local government is subsidizing the retirees because each participant is charged a level of premium regardless of age. However, the cost of this subsidy has not been quantified in the financial statement.

Under the Consolidated Omnibus Budget Reconciliation Act (COBRA), the government makes health care benefits available to eligible former employees and eligible dependents. Certain requirements are outlined by the federal government for this coverage. The premium is paid in full by the insured. There is no cost to the government under this program.

The District has adopted an early retirement program. Under the program, a full-time employee must be at least 57 years of age with 15 or more years with the District and 20 or more years of service credit recognized by the Kansas Public Employees Retirement System (KPERS). Benefits under the plan are calculated by the number of years service credit recognized by KPERS plus the number of years the employee was denied participation in KPERS due to part-time employment for such employee multiplied by the largest base salary received during any one of the five years immediately preceding planned retirement, multiplied by, a factor of 0.005. These benefits terminate at the end of the month in which the employee reaches the age of eligibility for being able to retire on a full social security benefit at normal social security retirement age or at death, if sooner.

It is the policy of the District to record these benefits as expenditures when paid. Total expenditures under the program for the year ended June 30, 2014, was \$152,058 for 21 former employees.

Note 9 - Defined Benefit Pension Plan:

Plan Description

The District participates in the Kansas Public Employees Retirement System (KPERS), a cost-sharing, multiple-employer, defined benefit pension plan as provided by K.S.A. 74-4901, et seq. KPERS provides retirement benefits, life insurance, disability income benefits, and death benefits. Kansas law establishes and amends benefit provisions. KPERS issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by writing to KPERS (611 S Kansas Ave., Suite 100, Topeka, KS 66603-3869) or by calling 1-888-275-5737.

Funding Policy

K.S.A. 74-4919 establishes the KPERS member-employee contribution rate at a minimum of 4% of covered salary. Member-employees' contributions are withheld by their employer and paid to KPERS according to the provisions of section 414(h) of the Internal Revenue Code. The State of Kansas is required to contribute the remaining amount necessary to achieve the actuarially determined contribution rate. Kansas contributed 11.12% of covered payroll for the year ended June 30, 2014. These contribution requirements are established by KPERS and are periodically revised. Kansas contributions to KPERS for all Kansas public school employees for the years ending June 30, 2014, 2013 and 2012 were \$361,575,393, \$323,067,803, and \$298,635,383, respectively, equal to the required contributions for each year.

AUGUSTA UNIFIED SCHOOL DISTRICT NO. 402
NOTES TO FINANCIAL STATEMENT
JUNE 30, 2014

Note 10 - Compensated Absences:

All permanent full-time employees are eligible for vacation and/or sick leave benefits in varying annual amounts depending on position and length of service.

It is the policy of the District to record vacation and sick leave benefits as expenditures when paid.

Note 11 - Capital Projects:

At year-end, capital project authorization compared with expenditures from inception are as follows:

| | <u>Project Authorization</u> | <u>Expenditures to Date</u> |
|--------------------------------------|----------------------------------|---------------------------------|
| School Additions and Improvements | <u>\$51,257,199</u> | <u>\$51,198,365</u> |

Note 12 - Advance Refunding of Bond Obligation:

On December 27, 2012, the District issued \$9,570,000 in General Obligation Bonds with interest rates ranging from 2.00 % to 3.00%. Of the issue, \$9,510,490 was used to purchase U.S. government securities. Those securities were deposited with an escrow agent to provide for the future debt service payments on \$8,395,000 of the 2008 Series A General Obligation Bonds. As a result, this portion of the 2008 Series A Bonds is considered defeased and not included in long-term debt as of June 30, 2014.

On April 1, 2013, the District issued \$8,965,000 in General Obligation Bonds with interest rates ranging from 1.50 % to 4.00%. Of the issue, \$9,767,119 was used to purchase U.S. government securities. Those securities were deposited with an escrow agent to provide for the future debt service payments on \$8,515,000 of the 2008 Series A General Obligation Bonds. As a result, this portion of the 2008 Series A Bonds is considered defeased and not included in long-term debt as of June 30, 2014.

Note 13 - Long-Term Debt:

Principal payments are due annually for general obligation bonds. Interest payments are due semi-annually. Principal and interest payments on the capital lease are due quarterly and annually.

Terms for long-term liabilities for the District for the year ended June 30, 2014 were as follows:

| Issue | Interest Rate | Date of Issue | Amount of Issue | Date of Final Maturity |
|---------------------------------|---------------|------------------|--------------------|------------------------------|
| General Obligation Bonds | | | | |
| 2008 Series A | 4.00 - 5.25 | 6/15/08 | \$ 48,000,000 | 9/1/33 |
| 2008 Series B | 4.95 - 5.25 | 6/15/08 | \$ 1,815,000 | 9/1/15 |
| 2012 Series | 2.00 - 3.00 | 12/27/12 | \$ 9,570,000 | 9/1/32 |
| 2013 Series | 1.50 - 4.00 | 4/1/13 | \$ 8,965,000 | 9/1/31 |
| Capital Lease | | | | |
| Field Turf - Football | 4.099 | 5/10/11 | \$ 400,439 | 5/12/15 |
| Field Turf - Baseball | 3.060 | 11/6/13 | \$ 200,000 | 11/6/17 |

AUGUSTA UNIFIED SCHOOL DISTRICT NO. 402
NOTES TO FINANCIAL STATEMENT
JUNE 30, 2014

Changes in long-term liabilities for the District for the year ended June 30, 2014 were as follows:

| Issue | Balance Beginning of Year | Additions | Reductions/ Payments | Balance End of Year | Interest Paid |
|---------------------------------|---------------------------------|-------------------|-------------------------|------------------------|---------------------|
| General Obligation Bonds | | | | | |
| 2008 Series A | 31,090,000 | 0 | 0 | 31,090,000 | 1,713,128 |
| 2008 Series B | 1,815,000 | 0 | 575,000 | 1,240,000 | 78,424 |
| 2012 Series | 9,570,000 | 0 | 0 | 9,570,000 | 322,854 |
| 2013 Series | 8,965,000 | 0 | 0 | 8,965,000 | 287,054 |
| | <u>51,440,000</u> | <u>0</u> | <u>575,000</u> | <u>50,865,000</u> | <u>2,401,460</u> |
| Capital Lease | | | | | |
| Field Turf - Football | 208,380 | 0 | 102,066 | 106,314 | 6,986 |
| Field Turf - Baseball | <u>0</u> | <u>200,000</u> | <u>0</u> | <u>200,000</u> | <u>0</u> |
| | <u>208,380</u> | <u>200,000</u> | <u>102,066</u> | <u>306,314</u> | <u>6,986</u> |
| | <u>\$ 51,648,380</u> | <u>\$ 200,000</u> | <u>\$ 677,066</u> | <u>\$ 51,171,314</u> | <u>\$ 2,408,446</u> |

Current maturities of long-term debt and interest for the next five years and in five year increments through maturity are as follows:

| | Principal | | | Interest | | | Total Principal and Interest |
|-------------|--------------------------------|-------------------|---------------------|--------------------------------|-------------------|---------------------|------------------------------------|
| | General Obligation Bonds | Capital Leases | Total Principal | General Obligation Bonds | Capital Leases | Total Interest | |
| 2015 | 605,000 | 154,077 | 759,077 | 2,959,072 | 8,858 | 2,967,930 | 3,727,007 |
| 2016 | 765,000 | 49,224 | 814,224 | 2,924,376 | 4,658 | 2,929,034 | 3,743,258 |
| 2017 | 910,000 | 50,730 | 960,730 | 2,886,907 | 3,152 | 2,890,059 | 3,850,789 |
| 2018 | 1,060,000 | 52,283 | 1,112,283 | 2,847,508 | 1,600 | 2,849,108 | 3,961,391 |
| 2019 | 1,225,000 | 0 | 1,225,000 | 2,367,351 | 0 | 2,367,351 | 3,592,351 |
| 2020 - 2024 | 9,630,000 | 0 | 9,630,000 | 8,463,004 | 0 | 8,463,004 | 18,093,004 |
| 2025 - 2029 | 14,840,000 | 0 | 14,840,000 | 5,848,542 | 0 | 5,848,542 | 20,688,542 |
| 2030 - 2034 | 21,830,000 | 0 | 21,830,000 | 2,205,496 | 0 | 2,205,496 | 24,035,496 |
| | <u>\$50,865,000</u> | <u>\$ 306,314</u> | <u>\$51,171,314</u> | <u>\$30,502,256</u> | <u>\$ 18,268</u> | <u>\$30,520,524</u> | <u>\$81,691,838</u> |

**REGULATORY REQUIRED
SUPPLEMENTARY INFORMATION**

AUGUSTA UNIFIED SCHOOL DISTRICT NO. 402
SUMMARY OF EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS
FOR THE YEAR ENDED JUNE 30, 2014

| Fund | Certified Budget | Adjustment to | | Qualifying Budget Credits | Total Budget for Comparison | Expenditures Chargeable to Current Year | Variance - Over (Under) |
|-----------------------------|----------------------|-----------------------|-----------|---------------------------|-----------------------------|---|-------------------------|
| | | Comply with Legal Max | | | | | |
| General Fund | \$ 12,814,698 | \$ (78,295) | \$ | 145,760 | \$ 12,882,163 | \$ 12,882,163 | \$ 0 |
| Special Purpose Funds | | | | | | | |
| Supplemental General | 4,287,454 | 0 | | 0 | 4,287,454 | 4,287,454 | 0 |
| At Risk (4 Year Old) | 67,500 | 0 | | 0 | 67,500 | 64,260 | (3,240) |
| At Risk (K-12) | 1,430,000 | 0 | | 0 | 1,430,000 | 1,427,736 | (2,264) |
| Bilingual Education | 24,000 | 0 | | 0 | 24,000 | 20,339 | (3,661) |
| Capital Outlay | 2,000,000 | 0 | | 0 | 2,000,000 | 477,169 | (1,522,831) |
| Driver Training | 60,000 | 0 | | 0 | 60,000 | 25,019 | (34,981) |
| Food Service | 998,500 | 0 | | 0 | 998,500 | 854,896 | (143,604) |
| Professional Development | 38,392 | 0 | | 0 | 38,392 | 23,627 | (14,765) |
| Special Education | 2,428,800 | 0 | | 0 | 2,428,800 | 2,351,926 | (76,874) |
| Vocational Education | 655,000 | 0 | | 0 | 655,000 | 504,826 | (150,174) |
| KPERS Contribution | 1,104,359 | 0 | | 0 | 1,104,359 | 1,101,788 | (2,571) |
| Federal Funds | XXXXXXXXXX | XXXXXXXXXX | | XXXXXXXXXX | XXXXXXXXXX | 362,194 | XXXXXXXXXX |
| Gifts and Grants | XXXXXXXXXX | XXXXXXXXXX | | XXXXXXXXXX | XXXXXXXXXX | 26,826 | XXXXXXXXXX |
| Contingency Reserve | XXXXXXXXXX | XXXXXXXXXX | | XXXXXXXXXX | XXXXXXXXXX | 235,631 | XXXXXXXXXX |
| Textbook & Student Material | | | | | | | |
| Revolving | XXXXXXXXXX | XXXXXXXXXX | | XXXXXXXXXX | XXXXXXXXXX | 485,650 | XXXXXXXXXX |
| District Activity Funds | XXXXXXXXXX | XXXXXXXXXX | | XXXXXXXXXX | XXXXXXXXXX | 97,290 | XXXXXXXXXX |
| Debt Service Funds | | | | | | | |
| Bond and Interest | 2,976,460 | 0 | | 0 | 2,976,460 | 2,976,460 | 0 |
| Special Assessment | 1,165 | 0 | | 0 | 1,165 | 1,165 | 0 |
| Capital Projects | XXXXXXXXXX | XXXXXXXXXX | | XXXXXXXXXX | XXXXXXXXXX | 478,936 | XXXXXXXXXX |
| | <u>\$ 28,886,328</u> | <u>\$ (78,295)</u> | <u>\$</u> | <u>145,760</u> | <u>\$ 28,953,793</u> | <u>\$ 28,685,355</u> | <u>\$ (1,954,965)</u> |

AUGUSTA UNIFIED SCHOOL DISTRICT NO. 402
SCHEDULE OF CASH RECEIPTS AND EXPENDITURES -
ACTUAL AND BUDGET
REGULATORY BASIS
FOR THE YEAR ENDED JUNE 30, 2014
(With Comparative Actual Totals for the Prior Year Ended June 30, 2013)

| <u>General Fund</u> | <u>Current Year</u> | | | <u>Variance - Over (Under)</u> |
|---|------------------------------|-------------------|----------------------|------------------------------------|
| | <u>Prior Year Actual</u> | <u>Actual</u> | <u>Budget</u> | |
| Cash Receipts | | | | |
| Local Sources | \$ 1,456,436 | \$ 1,541,266 | \$ 1,368,974 | \$ 172,292 |
| State Sources | 11,031,153 | 11,340,747 | 11,445,574 | (104,827) |
| | <u>12,487,589</u> | <u>12,882,013</u> | <u>\$ 12,814,548</u> | <u>\$ 67,465</u> |
| Expenditures | | | | |
| Instruction | 3,103,219 | 2,950,804 | \$ 3,073,011 | \$ (122,207) |
| Student Support Services | 517,442 | 577,714 | 519,000 | 58,714 |
| Instructional Support Staff | 363,464 | 387,440 | 364,600 | 22,840 |
| General Administration | 649,446 | 616,998 | 657,250 | (40,252) |
| School Administration | 1,066,581 | 1,080,110 | 1,068,300 | 11,810 |
| Operations & Maintenance | 1,775,039 | 1,890,291 | 1,778,200 | 112,091 |
| Student Transportation Services | 333,843 | 320,558 | 336,760 | (16,202) |
| Other Supplemental Services | 293,851 | 374,535 | 295,200 | 79,335 |
| Architectural & Engineering Service | 0 | 1,218 | 0 | 1,218 |
| Transfers | 4,384,852 | 4,682,495 | 4,722,377 | (39,882) |
| Adjustment to Comply with Legal Max | 0 | 0 | (78,295) | 78,295 |
| Adjustment for Qualifying Budget Credits | 0 | 0 | 145,760 | (145,760) |
| | <u>12,487,737</u> | <u>12,882,163</u> | <u>\$ 12,882,163</u> | <u>\$ 0</u> |
| Receipts Over (Under) Expenditures | (148) | (150) | | |
| Unencumbered Cash, Beginning | 148 | 151 | | |
| Prior Year Canceled Encumbrances | <u>151</u> | <u>2,906</u> | | |
| Unencumbered Cash, Ending | <u>\$ 151</u> | <u>\$ 2,907</u> | | |

AUGUSTA UNIFIED SCHOOL DISTRICT NO. 402
SCHEDULE OF CASH RECEIPTS AND EXPENDITURES -
ACTUAL AND BUDGET
REGULATORY BASIS
FOR THE YEAR ENDED JUNE 30, 2014
(With Comparative Actual Totals for the Prior Year Ended June 30, 2013)

| <u>Supplemental General Fund</u> | Prior Year Actual | Current Year | | Variance - Over (Under) |
|---|-------------------------|--------------------------|---------------------|----------------------------|
| | | Actual | Budget | |
| Cash Receipts | | | | |
| Local Sources | \$ 1,668,316 | \$ 1,890,016 | \$ 1,805,156 | \$ 84,860 |
| County Sources | 268,064 | 264,246 | 260,979 | 3,267 |
| State Sources | 2,191,179 | 2,210,988 | 2,174,742 | 36,246 |
| | <u>4,127,559</u> | <u>4,365,250</u> | <u>\$ 4,240,877</u> | <u>\$ 124,373</u> |
| Expenditures | | | | |
| Instruction | 3,730,115 | 3,814,979 | \$ 3,792,720 | \$ 22,259 |
| Student Support Services | 44,746 | 0 | 45,000 | (45,000) |
| Instructional Support Staff | 1,229 | 7,276 | 1,500 | 5,776 |
| School Administration | 3,516 | 8,873 | 0 | 8,873 |
| Other Supplemental Services | 225,499 | 190,990 | 227,800 | (36,810) |
| Operations & Maintenance | 0 | 44,902 | 0 | 44,902 |
| Transfers | 220,434 | 220,434 | 220,434 | 0 |
| | <u>4,225,539</u> | <u>4,287,454</u> | <u>\$ 4,287,454</u> | <u>\$ 0</u> |
| Receipts Over (Under) Expenditures | (97,980) | 77,796 | | |
| Unencumbered Cash, Beginning | 144,557 | 46,577 | | |
| Prior Year Canceled Encumbrances | <u>0</u> | <u>0</u> | | |
| Unencumbered Cash, Ending | <u>\$ 46,577</u> | <u>\$ 124,373</u> | | |

AUGUSTA UNIFIED SCHOOL DISTRICT NO. 402
SCHEDULE OF CASH RECEIPTS AND EXPENDITURES -
ACTUAL AND BUDGET
REGULATORY BASIS
FOR THE YEAR ENDED JUNE 30, 2014
(With Comparative Actual Totals for the Prior Year Ended June 30, 2013)

| <u>At Risk (4 Year Old) Fund</u> | Prior Year Actual | Current Year | | Variance - Over (Under) |
|------------------------------------|----------------------|---------------|------------------|----------------------------|
| | | Actual | Budget | |
| Cash Receipts | | | | |
| Transfers | \$ 62,412 | \$ 64,260 | \$ 67,500 | \$ (3,240) |
| | <u>62,412</u> | <u>64,260</u> | <u>\$ 67,500</u> | <u>\$ (3,240)</u> |
| Expenditures | | | | |
| Instruction | 62,608 | 63,026 | \$ 65,700 | \$ (2,674) |
| Instruction Support Staff | <u>1,239</u> | <u>1,234</u> | <u>1,800</u> | <u>(566)</u> |
| | <u>63,847</u> | <u>64,260</u> | <u>\$ 67,500</u> | <u>\$ (3,240)</u> |
| Receipts Over (Under) Expenditures | (1,435) | 0 | | |
| Unencumbered Cash, Beginning | 1,435 | 0 | | |
| Prior Year Canceled Encumbrances | <u>0</u> | <u>0</u> | | |
| Unencumbered Cash, Ending | <u>\$ 0</u> | <u>\$ 0</u> | | |

AUGUSTA UNIFIED SCHOOL DISTRICT NO. 402
SCHEDULE OF CASH RECEIPTS AND EXPENDITURES -
ACTUAL AND BUDGET
REGULATORY BASIS
FOR THE YEAR ENDED JUNE 30, 2014
(With Comparative Actual Totals for the Prior Year Ended June 30, 2013)

| <u>At Risk (K-12) Fund</u> | Prior Year Actual | Current Year | | Variance Over (Under) |
|------------------------------------|----------------------|------------------|---------------------|--------------------------|
| | | Actual | Budget | |
| Cash Receipts | | | | |
| Local Sources | \$ 0 | \$ 0 | \$ 2,264 | \$ (2,264) |
| Transfers | 1,408,930 | 1,427,736 | 1,427,736 | 0 |
| | <u>1,408,930</u> | <u>1,427,736</u> | <u>\$ 1,430,000</u> | <u>\$ (2,264)</u> |
| Expenditures | | | | |
| Instruction | 1,408,930 | 1,425,313 | \$ 1,430,000 | \$ (4,687) |
| Student Support Services | 0 | 1,724 | 0 | 1,724 |
| Instructional Support Staff | 0 | 699 | 0 | 699 |
| | <u>1,408,930</u> | <u>1,427,736</u> | <u>\$ 1,430,000</u> | <u>\$ (2,264)</u> |
| Receipts Over (Under) Expenditures | 0 | 0 | | |
| Unencumbered Cash, Beginning | 0 | 0 | | |
| Prior Year Canceled Encumbrances | <u>0</u> | <u>294</u> | | |
| Unencumbered Cash, Ending | <u>\$ 0</u> | <u>\$ 294</u> | | |

AUGUSTA UNIFIED SCHOOL DISTRICT NO. 402
SCHEDULE OF CASH RECEIPTS AND EXPENDITURES -
ACTUAL AND BUDGET
REGULATORY BASIS
FOR THE YEAR ENDED JUNE 30, 2014
(With Comparative Actual Totals for the Prior Year Ended June 30, 2013)

| <u>Bilingual Education Fund</u> | <u>Current Year</u> | | | <u>Variance - Over (Under)</u> |
|------------------------------------|------------------------------|------------------|------------------|------------------------------------|
| | <u>Prior Year Actual</u> | <u>Actual</u> | <u>Budget</u> | |
| Cash Receipts | | | | |
| Transfers | <u>\$ 16,000</u> | <u>\$ 20,339</u> | <u>\$ 24,000</u> | <u>\$ (3,661)</u> |
| | <u>16,000</u> | <u>20,339</u> | <u>\$ 24,000</u> | <u>\$ (3,661)</u> |
| Expenditures | | | | |
| Instruction | <u>16,000</u> | <u>20,339</u> | <u>\$ 24,000</u> | <u>\$ (3,661)</u> |
| | <u>16,000</u> | <u>20,339</u> | <u>\$ 24,000</u> | <u>\$ (3,661)</u> |
| Receipts Over (Under) Expenditures | 0 | 0 | | |
| Unencumbered Cash, Beginning | 0 | 0 | | |
| Prior Year Canceled Encumbrances | <u>0</u> | <u>0</u> | | |
| Unencumbered Cash, Ending | <u>\$ 0</u> | <u>\$ 0</u> | | |

AUGUSTA UNIFIED SCHOOL DISTRICT NO. 402
SCHEDULE OF CASH RECEIPTS AND EXPENDITURES -
ACTUAL AND BUDGET
REGULATORY BASIS
FOR THE YEAR ENDED JUNE 30, 2014
(With Comparative Actual Totals for the Prior Year Ended June 30, 2013)

| <u>Capital Outlay Fund</u> | Prior Year Actual | Current Year | | Variance Over (Under) |
|--|----------------------|---------------------|---------------------|--------------------------|
| | | Actual | Budget | |
| Cash Receipts | | | | |
| Local Sources | \$ 312,727 | \$ 302,386 | \$ 301,426 | \$ 960 |
| County Sources | 54,290 | 47,761 | 46,910 | 851 |
| Federal Sources | 53,503 | 29,117 | 0 | 29,117 |
| Transfers | 355,076 | 313,149 | 357,318 | (44,169) |
| | <u>775,596</u> | <u>692,413</u> | <u>\$ 705,654</u> | <u>\$ (13,241)</u> |
| Expenditures | | | | |
| Instruction | 227,494 | 32,297 | \$ 564,250 | \$ (531,953) |
| Student Support Services | | 10,764 | 100,000 | (89,236) |
| Instructional Support Services | 10,006 | 18,933 | 1,250 | 17,683 |
| Central Services | 303 | 0 | 80,000 | (80,000) |
| Operations & Maintenance | 161,039 | 140,914 | 824,500 | (683,586) |
| Transportation | 4,024 | 100,800 | 130,000 | (29,200) |
| Facility Acquisition & Construction Services | 239,074 | 173,461 | 300,000 | (126,539) |
| | <u>641,940</u> | <u>477,169</u> | <u>\$ 2,000,000</u> | <u>\$ (1,522,831)</u> |
| Receipts Over (Under) Expenditures | 133,656 | 215,244 | | |
| Unencumbered Cash, Beginning | 2,060,350 | 2,194,012 | | |
| Prior Year Canceled Encumbrances | <u>6</u> | <u>3,307</u> | | |
| Unencumbered Cash, Ending | <u>\$ 2,194,012</u> | <u>\$ 2,412,563</u> | | |

AUGUSTA UNIFIED SCHOOL DISTRICT NO. 402
SCHEDULE OF CASH RECEIPTS AND EXPENDITURES -
ACTUAL AND BUDGET
REGULATORY BASIS

FOR THE YEAR ENDED JUNE 30, 2014

(With Comparative Actual Totals for the Prior Year Ended June 30, 2013)

| <u>Driver Training Fund</u> | Prior Year | Current Year | | Variance - |
|--|------------------|------------------|------------------|--------------------|
| | Actual | Actual | Budget | Over (Under) |
| Cash Receipts | | | | |
| Local Sources | \$ 24,329 | \$ 23,034 | \$ 26,400 | \$ (3,366) |
| State Sources | 9,951 | 9,860 | 13,340 | (3,480) |
| | <u>34,280</u> | <u>32,894</u> | <u>\$ 39,740</u> | <u>\$ (6,846)</u> |
| Expenditures | | | | |
| Instruction | 32,087 | 22,863 | \$ 56,000 | \$ (33,137) |
| Vehicle Operations, Maintenance Services | 2,966 | 2,156 | 4,000 | (1,844) |
| | <u>35,053</u> | <u>25,019</u> | <u>\$ 60,000</u> | <u>\$ (34,981)</u> |
| Receipts Over (Under) Expenditures | (773) | 7,875 | | |
| Unencumbered Cash, Beginning | 51,208 | 50,435 | | |
| Prior Year Canceled Encumbrances | <u>0</u> | <u>0</u> | | |
| Unencumbered Cash, Ending | <u>\$ 50,435</u> | <u>\$ 58,310</u> | | |

AUGUSTA UNIFIED SCHOOL DISTRICT NO. 402
SCHEDULE OF CASH RECEIPTS AND EXPENDITURES -
ACTUAL AND BUDGET
REGULATORY BASIS
FOR THE YEAR ENDED JUNE 30, 2014
(With Comparative Actual Totals for the Prior Year Ended June 30, 2013)

| <u>Food Service Fund</u> | Prior Year Actual | Current Year | | Variance - Over (Under) |
|------------------------------------|----------------------|------------------|-------------------|----------------------------|
| | | Actual | Budget | |
| Cash Receipts | | | | |
| Local Sources | \$ 386,395 | \$ 383,675 | \$ 446,095 | \$ (62,420) |
| State Sources | 10,007 | 9,903 | 9,087 | 816 |
| Federal Sources | 476,487 | 488,257 | 478,479 | 9,778 |
| | <u>872,889</u> | <u>881,835</u> | <u>\$ 933,661</u> | <u>\$ (51,826)</u> |
| Expenditures | | | | |
| Operations & Maintenance | 1,907 | 0 | \$ 3,500 | \$ (3,500) |
| Food Service Operation | 843,502 | 854,896 | 995,000 | (140,104) |
| | <u>845,409</u> | <u>854,896</u> | <u>\$ 998,500</u> | <u>\$ (143,604)</u> |
| Receipts Over (Under) Expenditures | 27,480 | 26,939 | | |
| Unencumbered Cash, Beginning | 37,358 | 64,838 | | |
| Prior Year Canceled Encumbrances | <u>0</u> | <u>0</u> | | |
| Unencumbered Cash, Ending | <u>\$ 64,838</u> | <u>\$ 91,777</u> | | |

AUGUSTA UNIFIED SCHOOL DISTRICT NO. 402
SCHEDULE OF CASH RECEIPTS AND EXPENDITURES -
ACTUAL AND BUDGET
REGULATORY BASIS
FOR THE YEAR ENDED JUNE 30, 2014
(With Comparative Actual Totals for the Prior Year Ended June 30, 2013)

| <u>Professional Development Fund</u> | Prior Year | Current Year | | Variance |
|--------------------------------------|-----------------|------------------|------------------|--------------------|
| | Actual | Actual | Budget | Over (Under) |
| Cash Receipts | | | | |
| Local Sources | \$ 0 | \$ 0 | \$ 10,000 | \$ (10,000) |
| Transfers | 0 | 91,022 | 27,000 | 64,022 |
| | <u>0</u> | <u>91,022</u> | <u>\$ 37,000</u> | <u>\$ 54,022</u> |
| Expenditures | | | | |
| Instructional Support Staff | 35,144 | 23,627 | \$ 37,492 | \$ (13,865) |
| Other Supplemental Services | 900 | 0 | 900 | (900) |
| | <u>36,044</u> | <u>23,627</u> | <u>\$ 38,392</u> | <u>\$ (14,765)</u> |
| Receipts Over (Under) Expenditures | (36,044) | 67,395 | | |
| Unencumbered Cash, Beginning | 37,436 | 1,392 | | |
| Prior Year Canceled Encumbrances | <u>0</u> | <u>1,380</u> | | |
| Unencumbered Cash, Ending | <u>\$ 1,392</u> | <u>\$ 70,167</u> | | |

AUGUSTA UNIFIED SCHOOL DISTRICT NO. 402
SCHEDULE OF CASH RECEIPTS AND EXPENDITURES -
ACTUAL AND BUDGET
REGULATORY BASIS
FOR THE YEAR ENDED JUNE 30, 2014
(With Comparative Actual Totals for the Prior Year Ended June 30, 2013)

| <u>Special Education Fund</u> | <u>Current Year</u> | | | Variance - Over (Under) |
|------------------------------------|-----------------------------|---------------------|---------------------|----------------------------|
| | Prior Year <u>Actual</u> | <u>Actual</u> | <u>Budget</u> | |
| Cash Receipts | | | | |
| Transfers | <u>\$ 2,186,532</u> | <u>\$ 2,350,970</u> | <u>\$ 2,428,757</u> | <u>\$ (77,787)</u> |
| | <u>2,186,532</u> | <u>2,350,970</u> | <u>\$ 2,428,757</u> | <u>\$ (77,787)</u> |
| Expenditures | | | | |
| Instruction | 2,032,028 | 2,164,906 | \$ 2,229,072 | \$ (64,166) |
| Student Transportation Services | <u>155,318</u> | <u>187,020</u> | <u>199,728</u> | <u>(12,708)</u> |
| | <u>2,187,346</u> | <u>2,351,926</u> | <u>\$ 2,428,800</u> | <u>\$ (76,874)</u> |
| Receipts Over (Under) Expenditures | (814) | (956) | | |
| Unencumbered Cash, Beginning | 636,770 | 635,956 | | |
| Prior Year Canceled Encumbrances | <u>0</u> | <u>0</u> | | |
| Unencumbered Cash, Ending | <u>\$ 635,956</u> | <u>\$ 635,000</u> | | |

AUGUSTA UNIFIED SCHOOL DISTRICT NO. 402
SCHEDULE OF CASH RECEIPTS AND EXPENDITURES -
ACTUAL AND BUDGET
REGULATORY BASIS
FOR THE YEAR ENDED JUNE 30, 2014
(With Comparative Actual Totals for the Prior Year Ended June 30, 2013)

| <u>Vocational Education Fund</u> | Prior Year Actual | Current Year | | Variance - Over (Under) |
|------------------------------------|----------------------|-------------------|-------------------|----------------------------|
| | | Actual | Budget | |
| Cash Receipts | | | | |
| Local Sources | \$ 0 | \$ 0 | \$ 20,000 | \$ (20,000) |
| State Sources | 590 | 0 | 1,170 | (1,170) |
| Federal Sources | 17,682 | 17,277 | 17,216 | 61 |
| Transfers | 496,336 | 555,453 | 530,500 | 24,953 |
| | <u>514,608</u> | <u>572,730</u> | <u>\$ 568,886</u> | <u>\$ 3,844</u> |
| Expenditures | | | | |
| Instruction | 483,057 | 478,721 | \$ 630,283 | \$ (151,562) |
| Instructional Support Staff | 23,576 | 26,105 | 24,717 | 1,388 |
| | <u>506,633</u> | <u>504,826</u> | <u>\$ 655,000</u> | <u>\$ (150,174)</u> |
| Receipts Over (Under) Expenditures | 7,975 | 67,904 | | |
| Unencumbered Cash, Beginning | 77,772 | 86,114 | | |
| Prior Year Canceled Encumbrances | <u>367</u> | <u>122</u> | | |
| Unencumbered Cash, Ending | <u>\$ 86,114</u> | <u>\$ 154,140</u> | | |

AUGUSTA UNIFIED SCHOOL DISTRICT NO. 402
SCHEDULE OF CASH RECEIPTS AND EXPENDITURES -
ACTUAL AND BUDGET
REGULATORY BASIS
FOR THE YEAR ENDED JUNE 30, 2014
(With Comparative Actual Totals for the Prior Year Ended June 30, 2013)

| <u>KPERS Contribution Fund</u> | Prior Year Actual | Current Year | | Variance Over (Under) |
|------------------------------------|----------------------|------------------|---------------------|--------------------------|
| | | Actual | Budget | |
| Cash Receipts | | | | |
| State Sources | \$ 905,213 | \$ 1,101,788 | \$ 1,104,359 | \$ (2,571) |
| | <u>905,213</u> | <u>1,101,788</u> | <u>\$ 1,104,359</u> | <u>\$ (2,571)</u> |
| Expenditures | | | | |
| Instruction | 620,405 | 750,536 | \$ 753,106 | \$ (2,570) |
| Student Support Services | 37,023 | 45,474 | 45,474 | 0 |
| Instructional Support Staff | 27,953 | 31,576 | 31,576 | 0 |
| General Administration | 25,488 | 31,443 | 31,443 | 0 |
| School Administration | 71,772 | 89,987 | 89,987 | 0 |
| Other Supplemental Services | 27,825 | 38,507 | 38,508 | (1) |
| Operations & Maintenance | 67,057 | 81,407 | 81,407 | 0 |
| Student Transportation Services | 25,193 | 30,100 | 30,100 | 0 |
| Food Service Operation | 2,497 | 2,758 | 2,758 | 0 |
| | <u>905,213</u> | <u>1,101,788</u> | <u>\$ 1,104,359</u> | <u>\$ (2,571)</u> |
| Receipts Over (Under) Expenditures | 0 | 0 | | |
| Unencumbered Cash, Beginning | 0 | 0 | | |
| Prior Year Canceled Encumbrances | <u>0</u> | <u>0</u> | | |
| Unencumbered Cash, Ending | <u>\$ 0</u> | <u>\$ 0</u> | | |

AUGUSTA UNIFIED SCHOOL DISTRICT NO. 402
SCHEDULE OF CASH RECEIPTS AND EXPENDITURES -
ACTUAL AND BUDGET
REGULATORY BASIS
FOR THE YEAR ENDED JUNE 30, 2014
(With Comparative Actual Totals for the Prior Year Ended June 30, 2013)

| <u>Bond and Interest Fund</u> | Prior Year Actual | Current Year | | Variance Over (Under) |
|------------------------------------|----------------------|---------------------|---------------------|--------------------------|
| | | Actual | Budget | |
| Cash Receipts | | | | |
| Local Sources | \$ 1,430,413 | \$ 1,437,165 | \$ 1,396,276 | \$ 40,889 |
| County Sources | 225,472 | 217,203 | 214,930 | 2,273 |
| State Sources | 1,313,454 | 1,517,995 | 1,517,995 | 0 |
| | <u>2,969,339</u> | <u>3,172,363</u> | <u>\$ 3,129,201</u> | <u>\$ 43,162</u> |
| Expenditures | | | | |
| Debt Service | 2,736,361 | 2,976,460 | \$ 2,976,460 | \$ 0 |
| | <u>2,736,361</u> | <u>2,976,460</u> | <u>\$ 2,976,460</u> | <u>\$ 0</u> |
| Receipts Over (Under) Expenditures | 232,978 | 195,903 | | |
| Unencumbered Cash, Beginning | 1,432,529 | 1,665,507 | | |
| Prior Year Canceled Encumbrances | <u>0</u> | <u>0</u> | | |
| Unencumbered Cash, Ending | <u>\$ 1,665,507</u> | <u>\$ 1,861,410</u> | | |

AUGUSTA UNIFIED SCHOOL DISTRICT NO. 402
SCHEDULE OF CASH RECEIPTS AND EXPENDITURES -
ACTUAL AND BUDGET
REGULATORY BASIS
FOR THE YEAR ENDED JUNE 30, 2014
(With Comparative Actual Totals for the Prior Year Ended June 30, 2013)

| <u>Special Assessment Fund</u> | Prior Year Actual | Current Year | | Variance Over (Under) |
|------------------------------------|----------------------|---------------|-----------------|--------------------------|
| | | Actual | Budget | |
| Cash Receipts | | | | |
| Local Sources | \$ 25 | \$ 101 | \$ 0 | \$ 101 |
| | <u>25</u> | <u>101</u> | <u>0</u> | <u>101</u> |
| Expenditures | | | | |
| Facilities Acquisition | 2,466 | 1,165 | \$ 1,165 | \$ 0 |
| | <u>2,466</u> | <u>1,165</u> | <u>\$ 1,165</u> | <u>\$ 0</u> |
| Receipts Over (Under) Expenditures | (2,441) | (1,064) | | |
| Unencumbered Cash, Beginning | 3,606 | 1,165 | | |
| Prior Year Canceled Encumbrances | <u>0</u> | <u>0</u> | | |
| Unencumbered Cash, Ending | <u>\$ 1,165</u> | <u>\$ 101</u> | | |

AUGUSTA UNIFIED SCHOOL DISTRICT NO. 402
SCHEDULE OF CASH RECEIPTS AND EXPENDITURES - ACTUAL
REGULATORY BASIS
FOR THE YEAR ENDED JUNE 30, 2014
(With Comparative Actual Totals for the Prior Year Ended June 30, 2013)

| <u>Federal Funds</u> | | | |
|------------------------------------|--|----------------------|------------------------|
| | | Prior Year Actual | Current Year Actual |
| Cash Receipts | | | |
| Federal Sources | | \$ 325,071 | \$ 362,194 |
| | | <u>325,071</u> | <u>362,194</u> |
| Expenditures | | | |
| Instruction | | 325,071 | 362,194 |
| | | <u>325,071</u> | <u>362,194</u> |
| Receipts Over (Under) Expenditures | | 0 | 0 |
| Unencumbered Cash, Beginning | | 0 | 0 |
| Prior Year Canceled Encumbrances | | <u>0</u> | <u>0</u> |
| Unencumbered Cash, Ending | | <u>\$ 0</u> | <u>\$ 0</u> |

AUGUSTA UNIFIED SCHOOL DISTRICT NO. 402
SCHEDULE OF CASH RECEIPTS AND EXPENDITURES - ACTUAL
REGULATORY BASIS
FOR THE YEAR ENDED JUNE 30, 2014
(With Comparative Actual Totals for the Prior Year Ended June 30, 2013)

Gifts and Grants Fund

| | Prior Year Actual | Current Year Actual |
|------------------------------------|----------------------|------------------------|
| Cash Receipts | | |
| Local Sources | \$ 14,859 | \$ 34,897 |
| | <u>14,859</u> | <u>34,897</u> |
| Expenditures | | |
| Instruction Support Staff | 23,800 | 26,826 |
| | <u>23,800</u> | <u>26,826</u> |
| Receipts Over (Under) Expenditures | (8,941) | 8,071 |
| Unencumbered Cash, Beginning | 25,500 | 16,574 |
| Prior Year Canceled Encumbrances | <u>15</u> | <u>0</u> |
| Unencumbered Cash, Ending | <u>\$ 16,574</u> | <u>\$ 24,645</u> |

AUGUSTA UNIFIED SCHOOL DISTRICT NO. 402
SCHEDULE OF CASH RECEIPTS AND EXPENDITURES - ACTUAL
REGULATORY BASIS
FOR THE YEAR ENDED JUNE 30, 2014
(With Comparative Actual Totals for the Prior Year Ended June 30, 2013)

Contingency Reserve Fund

| | Prior Year Actual | Current Year Actual |
|------------------------------------|----------------------|------------------------|
| Cash Receipts | | |
| Transfers | \$ 0 | \$ 0 |
| | <u>0</u> | <u>0</u> |
| Expenditures | | |
| Instruction | 175,000 | 235,631 |
| | <u>175,000</u> | <u>235,631</u> |
| Receipts Over (Under) Expenditures | (175,000) | (235,631) |
| Unencumbered Cash, Beginning | 728,280 | 553,280 |
| Prior Year Canceled Encumbrances | <u>0</u> | <u>0</u> |
| Unencumbered Cash, Ending | <u>\$ 553,280</u> | <u>\$ 317,649</u> |

AUGUSTA UNIFIED SCHOOL DISTRICT NO. 402
SCHEDULE OF CASH RECEIPTS AND EXPENDITURES - ACTUAL
REGULATORY BASIS
FOR THE YEAR ENDED JUNE 30, 2014
(With Comparative Actual Totals for the Prior Year Ended June 30, 2013)

Textbook & Student Material Revolving Fund

| | Prior Year Actual | Current Year Actual |
|------------------------------------|----------------------|------------------------|
| Cash Receipts | | |
| Local Sources | \$ 122,436 | \$ 178,622 |
| Transfers | <u>80,000</u> | <u>80,000</u> |
| | <u>202,436</u> | <u>258,622</u> |
| Expenditures | | |
| Instruction | 401,318 | 417,575 |
| Student Support Services | <u>85,723</u> | <u>68,075</u> |
| | <u>487,041</u> | <u>485,650</u> |
| Receipts Over (Under) Expenditures | (284,605) | (227,028) |
| Unencumbered Cash, Beginning | 765,254 | 481,569 |
| Prior Year Canceled Encumbrances | <u>920</u> | <u>14,625</u> |
| Unencumbered Cash, Ending | <u>\$ 481,569</u> | <u>\$ 269,166</u> |

AUGUSTA UNIFIED SCHOOL DISTRICT NO. 402
SCHEDULE OF CASH RECEIPTS AND EXPENDITURES - CAPITAL PROJECTS
REGULATORY BASIS
FOR THE YEAR ENDED JUNE 30, 2014
(With Comparative Actual Totals for the Prior Year Ended June 30, 2013)

| | Prior Year Actual | Current Year Actual |
|-------------------------------------|----------------------|------------------------|
| Cash Receipts | | |
| Federal Sources | \$ 1,120,205 | \$ 0 |
| | <u>1,120,205</u> | <u>0</u> |
| Expenditures | | |
| Facility Acquisition & Construction | 2,242,841 | 478,936 |
| | <u>2,242,841</u> | <u>478,936</u> |
| Receipts Over (Under) Expenditures | (1,122,636) | (478,936) |
| Unencumbered Cash, Beginning | 1,345,358 | 232,228 |
| Prior Year Canceled Encumbrances | <u>9,506</u> | <u>305,542</u> |
| Unencumbered Cash, Ending | <u>\$ 232,228</u> | <u>\$ 58,834</u> |

AUGUSTA UNIFIED SCHOOL DISTRICT NO. 402
AGENCY FUNDS
SCHEDULE OF CASH RECEIPTS AND CASH DISBURSEMENTS
REGULATORY BASIS
FOR THE YEAR ENDED JUNE 30, 2014

| Fund | Beginning Cash Balance | Cash Receipts | Cash Disbursements | Ending Cash Balance |
|----------------------------|---------------------------|----------------|-----------------------|------------------------|
| Student Organizations | | | | |
| AHS General | \$ 4,136 | \$ 10,365 | \$ 12,855 | \$ 1,646 |
| AHS Band | 2,508 | 17,028 | 14,958 | 4,578 |
| AHS Scholars Bowl | 382 | 794 | 775 | 401 |
| AHS Flag Corp | 1,050 | 3,211 | 2,180 | 2,081 |
| AHS Forensics | 45 | 4,870 | 4,595 | 320 |
| AHS Library | 2,704 | 0 | 427 | 2,277 |
| AHS Music | 27 | 0 | 0 | 27 |
| AHS Drama | 4,456 | 6,938 | 5,908 | 5,486 |
| AHS Vocal Music | 2,428 | 3,691 | 3,142 | 2,977 |
| AHS Vocal Music Spec. Acct | 864 | 0 | 331 | 533 |
| AHS Varsity Athletic Club | 177 | 0 | 0 | 177 |
| AHS Spirit Club | 274 | 0 | 0 | 274 |
| AHS Art Club | 4,638 | 474 | 219 | 4,893 |
| AHS French Club | 351 | 0 | 0 | 351 |
| AHS Family/Career/Comm | 567 | 220 | 380 | 407 |
| AHS FACS | 7 | 0 | 0 | 7 |
| AHS National Honor Society | 716 | 2,129 | 1,995 | 850 |
| AHS Spanish Club | 3,291 | 160 | 582 | 2,869 |
| AHS Youth Entrepreneurs | 150 | 0 | 0 | 150 |
| AHS Oriole Store | 136 | 0 | 0 | 136 |
| AHS Concessions | 4,580 | 23,454 | 27,270 | 764 |
| AHS STUCO Activities | 25 | 3,732 | 3,100 | 657 |
| AHS In House Training | 602 | 460 | 143 | 919 |
| AHS Advanced Placement | 452 | 0 | 0 | 452 |
| AHS SADD | 4,625 | 5,875 | 2,712 | 7,788 |
| AHS Renaissance Program | 357 | 440 | 703 | 94 |
| AHS Skills USA VICA | 4,834 | 3,730 | 3,735 | 4,829 |
| AHS Future Educators | 73 | 0 | 0 | 73 |
| AHS School Newspaper | 154 | 216 | 234 | 136 |
| AHS Yearbook | 8,393 | 10,649 | 11,452 | 7,590 |
| AHS Journalism Trip | 130 | 2,510 | 0 | 2,640 |
| AHS Computer Fund | 125 | 0 | 0 | 125 |
| AHS Dance Team | 12 | 7,449 | 6,570 | 891 |
| AHS Weightlifting | 1,612 | 1,521 | 2,847 | 286 |
| AHS Powerlifting | 629 | 6,428 | 6,742 | 315 |
| Class of 1991 | 0 | 3 | 0 | 3 |
| Class of 2004 | 499 | 0 | 0 | 499 |
| Class of 2007 | 2,335 | 0 | 0 | 2,335 |
| Class of 2008 | 2,241 | 0 | 0 | 2,241 |
| Class of 2009 | 100 | 0 | 0 | 100 |
| Class of 2010 | 4,859 | 0 | 0 | 4,859 |
| Class of 2011 | 1,919 | 0 | 0 | 1,919 |
| Class of 2012 | 3,512 | 0 | 0 | 3,512 |
| Class of 2013 | 1,155 | 0 | 0 | 1,155 |
| Class of 2014 | 1,061 | 300 | 104 | 1,257 |
| Class of 2015 | 1,685 | 8,326 | 9,057 | 954 |
| Class of 2016 | 340 | 1,730 | 0 | 2,070 |
| Class of 2017 | 0 | 618 | 22 | 596 |
| | <u>75,216</u> | <u>127,321</u> | <u>123,038</u> | <u>79,499</u> |

AUGUSTA UNIFIED SCHOOL DISTRICT NO. 402
AGENCY FUNDS
SCHEDULE OF CASH RECEIPTS AND CASH DISBURSEMENTS
REGULATORY BASIS
FOR THE YEAR ENDED JUNE 30, 2014

| Fund | Beginning Cash Balance | Cash Receipts | Cash Disbursements | Ending Cash Balance |
|-----------------------------------|---------------------------|---------------|-----------------------|------------------------|
| Student Organizations (Continued) | | | | |
| Max Hendrickson | \$ 145 | 0 | 0 | \$ 145 |
| AHS Baseball Fundraiser | 653 | 2,601 | 3,230 | 24 |
| Girls Soccer Fundraiser | 0 | 1,167 | 480 | 687 |
| Soccer Fundraiser | 706 | 200 | 550 | 356 |
| Volleyball | 160 | 1,522 | 1,249 | 433 |
| AHS Football Fundraiser | 730 | 10,066 | 9,743 | 1,053 |
| AHS Wrestling | 421 | 3,849 | 3,738 | 532 |
| AHS Softball Fundraiser | 1,391 | 3,462 | 4,769 | 84 |
| Bowling | 482 | 1,099 | 1,341 | 240 |
| Boys Golf Fundraiser | 193 | 645 | 640 | 198 |
| Girls Golf Fundraiser | 8 | 0 | 0 | 8 |
| Boys Basketball Fundraiser | 962 | 1,881 | 2,087 | 756 |
| Girls Basketball Fundraiser | 660 | 2,301 | 1,619 | 1,342 |
| AHS Athletic Trainers | 16 | 0 | 0 | 16 |
| AHS Cheerleaders | 699 | 13,239 | 11,528 | 2,410 |
| AHS Summer Weight Pgrm | 1,577 | 2,250 | 1,662 | 2,165 |
| AMS General | 2,240 | 2,695 | 2,594 | 2,341 |
| AMS Academics | 1,553 | 2,276 | 1,068 | 2,761 |
| AMS Gifted | 79 | 0 | 0 | 79 |
| AMS Band | 3,847 | 1,074 | 894 | 4,027 |
| AMS Library | 627 | 1,924 | 2,051 | 500 |
| AMS National Jr. Honor Society | 456 | 175 | 193 | 438 |
| AMS Vocal Music | 868 | 1,512 | 1,438 | 942 |
| AMS Yearbook | 6,444 | 3,001 | 1,743 | 7,702 |
| AMS Builders Club | 510 | 0 | 248 | 262 |
| AMS 6th Grade Fundraising | 628 | 6,526 | 7,143 | 11 |
| AMS Graphics | 159 | 0 | 0 | 159 |
| AMS Stuco | 4,101 | 8,049 | 6,621 | 5,529 |
| AMS 7th Grade Science | 474 | 0 | 68 | 406 |
| AMS Science Olympiad | 2 | 747 | 21 | 728 |
| AMS EMH Class | 225 | 5 | 0 | 230 |
| AMS Physical Ed. Activity | 327 | 3,624 | 3,805 | 146 |
| AMS SADD | 411 | 0 | 0 | 411 |
| AMS Cheerleaders | 387 | 7,213 | 7,525 | 75 |
| AMS Volleyball | 2 | 666 | 373 | 295 |
| AMS Wrestling | 0 | 154 | 122 | 32 |
| AMS Football | 0 | 361 | 190 | 171 |
| AMS Girls Basketball | 0 | 491 | 479 | 12 |
| AMS Boys Basketball | 50 | 32 | 0 | 82 |
| AMS Track | 0 | 228 | 90 | 138 |
| | <u>32,193</u> | <u>85,035</u> | <u>79,302</u> | <u>37,926</u> |

AUGUSTA UNIFIED SCHOOL DISTRICT NO. 402
AGENCY FUNDS
SCHEDULE OF CASH RECEIPTS AND CASH DISBURSEMENTS
REGULATORY BASIS
FOR THE YEAR ENDED JUNE 30, 2014

| Fund | Beginning Cash Balance | Cash Receipts | Cash Disbursements | Ending Cash Balance |
|--|---------------------------|-------------------|-----------------------|------------------------|
| Student Organizations (Continued) | | | | |
| Ewalt General | \$ 1,573 | \$ 216 | \$ 883 | \$ 906 |
| Ewalt Library | 476 | 340 | 127 | 689 |
| Ewalt Yearbook | 3,735 | 3,238 | 6,674 | 299 |
| Ewalt Student Council | 725 | 1,600 | 1,937 | 388 |
| Garfield General | 714 | 1,125 | 1,214 | 625 |
| Garfield Early Childhood | 8 | 0 | 0 | 8 |
| Garfield Library | 4,199 | 1,077 | 246 | 5,030 |
| Garfield Stuco | 76 | 1 | 46 | 31 |
| Garfield Owl's | 7 | 0 | 0 | 7 |
| Garfield Vocal Music | 84 | 0 | 0 | 84 |
| Lincoln General | 2,418 | 2,825 | 1,967 | 3,276 |
| Lincoln Library | 505 | 357 | 184 | 678 |
| Robinson General | 698 | 104 | 0 | 802 |
| Robinson Library | 3,208 | 1,812 | 1,708 | 3,312 |
| Meet the Author | 4,006 | 1,964 | 1,013 | 4,957 |
| | <u>22,432</u> | <u>14,659</u> | <u>15,999</u> | <u>21,092</u> |
| Memorials & Scholarships | | | | |
| May Gruver Scholarship | 16,264 | 276 | 16,540 | 0 |
| Vada-Vida Scholarship | 17,290 | 263 | 17,553 | 0 |
| Ewalt Scholarship | 14,310 | 1 | 14,311 | 0 |
| Rodney Wheeler Scholarship | 6,256 | 6,256 | 6,272 | 6,240 |
| J.C. Hutter Scholarship | 10,590 | 1,048 | 1,080 | 10,558 |
| Jacque Hoefgen Grant | 7,292 | 322 | 969 | 6,645 |
| Leslie Tharp Spanish Club Scholarship | 734 | 0 | 500 | 234 |
| Jeanette McDaniel Scholarship | 2,544 | 147 | 0 | 2,691 |
| Ron Baugher | 254 | 396 | 300 | 350 |
| | <u>75,534</u> | <u>8,709</u> | <u>57,525</u> | <u>26,718</u> |
| Other | | | | |
| Returned Checks | 0 | 30 | 0 | 30 |
| Sales Tax | 50 | 14,735 | 14,776 | 9 |
| | <u>50</u> | <u>14,765</u> | <u>14,776</u> | <u>39</u> |
| Total Agency Funds | <u>\$ 205,425</u> | <u>\$ 250,489</u> | <u>\$ 290,640</u> | <u>\$ 165,274</u> |

AUGUSTA UNIFIED SCHOOL DISTRICT NO. 402
DISTRICT ACTIVITY FUNDS
SCHEDULE OF CASH RECEIPTS, EXPENDITURES,
AND UNENCUMBERED CASH
REGULATORY BASIS
FOR THE YEAR ENDED JUNE 30, 2014

| Fund | Beginning Unencumbered Cash Balance | Prior Year Canceled Encumbrances | Cash Receipts | Expenditures | Ending Unencumbered Cash Balance | Add | | Ending Cash Balance |
|-------------------------------|---|--|---------------|--------------|--|---|------|------------------------|
| | | | | | | Encumbrances and Accounts Payable | | |
| Gate Receipts | | | | | | | | |
| Augusta High School | \$ 13,068 | \$ 0 | \$ 67,990 | \$ 64,873 | \$ 16,185 | \$ 0 | \$ 0 | \$ 16,185 |
| Augusta High School Special | 4,367 | 0 | 24,920 | 21,696 | 7,591 | 0 | 0 | 7,591 |
| Augusta Middle School | 4,167 | 0 | 8,757 | 10,721 | 2,203 | 0 | 0 | 2,203 |
| Total District Activity Funds | \$ 21,602 | \$ 0 | \$ 101,667 | \$ 97,290 | \$ 25,979 | \$ 0 | \$ 0 | \$ 25,979 |

FEDERAL AWARD INFORMATION



BUSBY FORD & REIMER, LLC

CERTIFIED PUBLIC ACCOUNTANTS

**REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE
AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN
ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

INDEPENDENT AUDITORS' REPORT

**Board of Education
Augusta Unified School District No. 402
Augusta, Kansas**

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statement of **Augusta Unified School District No. 402, Augusta, Kansas**, as of and for the year ended **June 30, 2014**, and the related notes to the financial statement, which collectively comprise **Augusta Unified School District No. 402, Augusta, Kansas'** basic financial statement, and have issued our report thereon dated December 9, 2014. In our report, our opinion on the financial statement was unmodified based on the prescribed basis of accounting that demonstrates compliance with the *Kansas Municipal Audit and Accounting Guide* which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statement, we considered **Augusta Unified School District No. 402, Augusta, Kansas'** internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statement, but not for the purpose of expressing an opinion on the effectiveness of **Augusta Unified School District No. 402, Augusta, Kansas'** internal control. Accordingly, we do not express an opinion on the effectiveness of **Augusta Unified School District No. 402, Augusta, Kansas'** internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statement will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Board of Education
Augusta Unified School District No. 402

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether **Augusta Unified School District No. 402, Augusta, Kansas'** financial statement is free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the result of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Busby Ford & Reimer, LLC

Busby Ford & Reimer, LLC
December 9, 2014



BUSBY FORD & REIMER, LLC

CERTIFIED PUBLIC ACCOUNTANTS

**REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND REPORT ON INTERNAL
CONTROL OVER COMPLIANCE REQUIRED BY OMB CIRCULAR A-133**

INDEPENDENT AUDITORS' REPORT

**Board of Education
Augusta Unified School District No. 402
Augusta, Kansas**

Report on Compliance for Each Major Federal Program

We have audited **Augusta Unified School District No. 402, Augusta, Kansas'** compliance with the types of compliance requirements described in the *OMB Circular A-133, Compliance Supplement* that could have a direct and material effect on each of **Augusta Unified School District No. 402, Augusta, Kansas'** major federal programs for the year ended **June 30, 2014**. **Augusta Unified School District No. 402, Augusta, Kansas'** major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts and grants applicable to its major federal programs.

Auditors' Responsibility

Our responsibility is to express an opinion on compliance for each of **Augusta Unified School District No. 402, Augusta, Kansas'** major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about **Augusta Unified School District No. 402, Augusta, Kansas'** compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of **Augusta Unified School District No. 402, Augusta, Kansas'** compliance.

**Board of Education
Augusta Unified School District No. 402**

Opinion on Each Major Federal Program

In our opinion, **Augusta Unified School District No. 402, Augusta, Kansas** complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended **June 30, 2014**.

Report on Internal Control Over Compliance

Management of **Augusta Unified School District No. 402, Augusta, Kansas** is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit, we considered **Augusta Unified School District No. 402, Augusta, Kansas'** internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance on each major federal program and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of **Augusta Unified School District No. 402, Augusta, Kansas'** internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weakness may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of OMB Circular A-133. Accordingly, this report is not suitable for any other purpose.

Busby Ford & Reimer, LLC

Busby Ford & Reimer, LLC
December 9, 2014

AUGUSTA UNIFIED SCHOOL DISTRICT NO. 402
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2014

| Grant Title | Federal CFDA No. | Program Amount | Unencumbered Cash 7-1-13 | Receipts | Expenditures | Unencumbered Cash 6-30-14 |
|--|---------------------|-------------------|--------------------------------|-------------------|-------------------|---------------------------------|
| <u>(Passes Through Kansas Department of Education)</u> | | | | | | |
| Department of Agriculture | | | | | | |
| Child Nutrition Cluster-Cluster | | | | | | |
| School Breakfast Program | 10.553 | \$ 71,579 | | | | |
| National School Lunch Program | 10.555 | 416,678 | | | | |
| | | <u>488,257</u> | <u>\$ 0</u> | <u>\$ 488,257</u> | <u>\$ 488,257</u> | <u>\$ 0</u> |
| Department of Education | | | | | | |
| Title I Grants to Local Educational Agencies | 84.010 | 285,123 | 0 | 285,123 | 285,123 | 0 |
| Career and Technical Education-Basic Grants to States | 84.048 | 17,277 | 0 | 17,277 | 17,277 | 0 |
| Improving Teacher Quality State Grants | 84.367 | 77,071 | 0 | 77,071 | 77,071 | 0 |
| | | <u>379,471</u> | <u>0</u> | <u>379,471</u> | <u>379,471</u> | <u>0</u> |
| <u>(Passes Through Kansas SRS)</u> | | | | | | |
| Department of Health and Human Services | | | | | | |
| Medicaid Cluster-Cluster | | | | | | |
| Medical Assistance Program | 93.778 | 29,117 | 0 | 29,117 | 29,117 | 0 |
| Total Federal Awards | | <u>\$ 896,845</u> | <u>\$ 0</u> | <u>\$ 896,845</u> | <u>\$ 896,845</u> | <u>\$ 0</u> |

**AUGUSTA UNIFIED SCHOOL DISTRICT NO. 402
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2014**

Note 1 - Basis of Presentation:

The accompanying schedule of expenditures of federal awards includes the federal grant activity of **Augusta Unified School District No. 402, Augusta, Kansas**, and is prepared on the basis of accounting as described in Note 1 of the notes to the financial statement. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, "Audits of States, Local Governments, and Non-Profit Organizations."

**AUGUSTA UNIFIED SCHOOL DISTRICT NO. 402
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2014**

SUMMARY OF AUDIT RESULTS

1. The independent auditors' report expresses an unmodified opinion on the financial statement of **Augusta Unified School District No. 402, Augusta, Kansas**.
2. No significant deficiencies or material weaknesses were reported in the Report On Internal Control Over Financial Reporting And On Compliance And Other Matters Based On An Audit Of Financial Statements Performed In Accordance With *Government Auditing Standards*.
3. No instances of noncompliance material to the financial statement of **Augusta Unified School District No. 402, Augusta, Kansas**, were disclosed during the audit.
4. No significant deficiencies or material weakness were reported in the Report On Compliance For Each Major Program And Report On Internal Control Over Compliance Required By OMB Circular A-133.
5. The independent auditors' report on compliance for the major federal award programs for **Augusta Unified School District No. 402, Augusta, Kansas**, expresses an unmodified opinion on all major federal programs.
6. There were no audit findings relative to the major federal award programs for **Augusta Unified School District No. 402, Augusta, Kansas**.
7. The programs tested as major programs were:

| | |
|---------------------------------|--------|
| Child Nutrition Cluster-Cluster | |
| School Breakfast Program | 10.553 |
| National School Lunch Program | 10.555 |
8. The threshold for distinguishing Types A and B programs was \$300,000.
9. **Augusta Unified School District No. 402, Augusta, Kansas**, was determined not to be a low-risk auditee.

**AUGUSTA UNIFIED SCHOOL DISTRICT NO. 402
SCHEDULE OF PRIOR YEAR FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2014**

There are no prior audit findings.